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S E C R E T SECTION 01 OF 02 TOKYO 004118

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OSD/ISA FOR DUSD LAWLESS

E.O. 12958: DECL: 07/22/2016 TAGS: MARR PREL KS KN JA

SUBJECT: AMBASSADOR AND DEFENSE MINISTER AGREE TO REVIEW

BILATERAL COOPERATION

Classified By: Ambassador J. Thomas Schieffer. Reason: 1.4 (b)(d).

11. (C) Defense Minister Fukushiro Nukaga endorsed on July 21 a proposal by the Ambassador to initiate a broad-based "lessons learned" review of bilateral coordination in the wake of recent DPRK missile activities. The Ambassador emphasized the need to use this forum to institutionalize ad hoc data sharing arrangements and clarify respective Rules of Engagement (ROEs). Nukaga stated that such a dialogue should also identify legal impediments in Japan to closer cooperation. The Ambassador praised Japan's role in securing unanimous UNSC support for a strong resolution on North Korea's missile launches. He also congratulated Nukaga on the successful conclusion of Japan's Ground Self-Defense Force (GSDF) mission to Iraq. Nukaga informed the Ambassador that the cabinet has decided to fund base realignment expenses related to the Defense Posture Review Initiative (DPRI) out of a special budget rather than from the Japan Defense Agency's (JDA) annual budget. End Summary.

Lessons Learned

12. (C) During a July 21 meeting at the Ambassador's residence, Defense Minister Fukushiro Nukaga expressed full support for a proposed broad-based "lessons learned" review of U.S.-Japan cooperation following the July 5 DPRK missile launches. Nukaga agreed that overall coordination between the U.S. and Japan was excellent, but that the episode revealed critical areas for improvement. Nukaga noted that he had discussed this subject on July 11 with DUSD Lawless. Since that meeting, Nukaga said he had tasked his staff to prepare options to accelerate intelligence sharing, contingency planning and exercises, and deployments of new BMD systems.

It's No Longer Academic

- ¶3. (S) The Ambassador noted that the DPRK missile launches demonstrated to policymakers in both capitals that the U.S.-Japan alliance is not simply an abstract idea. In the past, he continued, our bilateral planning tended to be overly academic. It took a real crisis to make people realize the holes in some of our assumptions. The Ambassador stated that the two sides managed to bridge many of these gaps using ad hoc arrangements. For example, the Air Self-Defense Force's (ASDF) agreement to provide BADGE air defense data to USN ships provided an important level of security for our forces. The key now, he emphasized, will be to institutionalize these arrangements before the next crisis. The Ambassador added that a broad-based policy review should also address ambiguities that exist in our respective ROEs, such as whether a Japanese Aegis vessel would intercept a ballistic missile headed for U.S. territory.
- 14. (C) The Ambassador commented that recent events also revealed concerns regarding information sharing within the Japanese government, especially at working levels. While coordination at the intelligence, military, and cabinet levels was superb, he added, it appeared that critical intelligence and operational data was not being circulated at lower levels between JDA and its counterparts at MOFA and the cabinet office.
- ¶5. (S) Nukaga replied that many of the issues the Ambassador raised will require changes to Japanese law. For this reason, Nukaga said, it is critical to "strike while the iron is hot" to secure political support for fixing Japan's legal shortfalls. Nukaga pointed out, for example, that the

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intelligence sharing issue related to problems with Japan's laws on protecting classified materials. JDA personnel face legal sanctions for leaking classified information. Such penalties do not apply to officials at MOFA or the cabinet office. On bilateral data sharing, Nukaga said that Japan is also interested in discussing the installation of equipment to allow for the real-time transfer of Shared Early Warning (SEW) data. Currently, he stated, the U.S. provides launch information via secure telephone, resulting in a several minute delay.

North Korea Next Steps

16. (C) Nukaga agreed that the unanimous passage of UNSC 1695 was a triumph for U.S.-Japan diplomatic cooperation. Nukaga added that the next step will be to prepare for an even tougher resolution if North Korea takes further provocative steps. The Ambassador stated that the United States is considering additional sanctions against the DPRK and would consult closely with Japan as we proceed.

GSDF Mission in Iraq a Landmark in Defense Policy

17. (C) Noting that Nukaga had just returned from Kuwait, the Ambassador said that people will look back on the GSDF's successful mission to Iraq as a landmark in Japan's defense policy. Nukaga thanked the U.S. for its cooperation on the ground and commented that the more than 200 ASDF personnel in Kuwait are preparing to expand their mission to Baghdad and northern areas of Iraq.

JDA Wins DPRI Funding Battle

18. (C) Turning to DPRI implementation, Nukaga informed the Ambassador that the cabinet had formally agreed to fund base realignment costs out of a special budget rather than from the JDA annual budget. Nukaga remarked that JDA had "prevailed" over the Ministry of Finance (MOF) during the intra-cabinet debate on the matter. He said that the cabinet

endorsed JDA's proposal to fund DPRI-related expenses using the model created for the Special Action Committee for Okinawa (SACO) in 1996. SCHIEFFER